

Innovation Agenda: First Legislative Steps Forward

Key Points:

- **This week, the Democratic-led House is voting on the first legislative components of the Innovation Agenda. The agenda represents the culmination of two years of work with academic and business leaders to make our nation more able to compete successfully in the global economy.**
- **This agenda involves partnerships with the private sector to invest in a workforce ready for global competition. It will help: create a new generation of innovators; make a sustained commitment to federal research and development; spur and expand affordable access to broadband; achieve energy independence; and provide small business with tools to encourage entrepreneurial innovation.**
- **The House will consider three bipartisan measures in the first legislative step in the 110th Congress in moving forward with this critical plan for the economy and the future.**
- **These measures will add thousands of highly qualified math and science teachers in K-12, support young researchers to foster the most innovative early stage research, and make capital more accessible for small businesses, which are often catalysts for technological innovation.**
- **With the Senate moving forward on these issues, and President Bush having indicated his support for innovation and competitiveness issues, we hope to make real and overdue progress on this critical Innovation Agenda this year.**

This week, the House will consider three measures that are part of the Innovation Agenda.

10,000 Teachers – Science and Math Scholarship Act (H.R. 362). The measure takes critical steps to place highly qualified teachers in math, science, and technology K-12 classrooms, based on the recommendations of the National Academies.

- It will invest in 10,000 new science and math teachers, totaling some 25,000 over five years, by increasing the number of scholarships for students majoring in science, technology, engineering and math (STEM) fields and who are committed to pursuing teaching.
- It will also strengthen the skills of math, science and technology of up to 250,000 teachers by improving education and training opportunities for math and science teachers and expanding professional development, summer training institutes, and graduate education assistance.

- According to the National Academies, the #1 thing we can do for our future economic health is invest in our science and math teachers. A number of highly publicized studies have shown that the mathematics and science achievement of American students is poor by international standards. In 2005, 39 percent of 12th graders lacked even basic high school math skills. [National Assessment of Educational Progress]
- This measure has been endorsed by a broad range of businesses and universities as well as industry and education groups, including the Business Roundtable, Association of American Universities, Council on Competitiveness, the College Board, Semiconductor Industry Association and the Business Software Alliance.

Sowing the Seeds Through Science and Engineering Research Act (H.R. 363) This measure would increase support for long-term scientific research and encourage young scientists and researchers to pursue high-risk/high-reward research.

- It provides grants for outstanding researchers in the early stages of their careers from the National Science Foundation and the Department of Energy.
- It also establishes a Presidential Innovation Award to stimulate scientific and engineering advances, and a national coordination office to identify and prioritize research infrastructure needs at universities and national laboratories.
- Researchers at early stages in their careers are more likely to shift paradigms, break with tradition, or bring new ideas in high-risk/high-reward research that is likely to be transformative or highly innovative.

Small Business Lending Improvements Act (H.R. 1332): Small businesses in America are often the catalysts for technological innovation, and this bill strengthens access to capital programs for U.S. small businesses, offering them needed tools to be successful.

- The bill will make 7(a) loans more economical for small businesses.
- The measure establishes a rural lender outreach program to attract small lenders back into SBA's lending program -- reducing application burdens for borrowers and lenders to streamline and expedite the lending process.
- It also assists veterans returning from Iraq and Afghanistan to secure funding to start or expand their firms by eliminating borrower and lender fees and increasing to 90 percent the guaranteed portion of loans made to veteran-owned small businesses.
- It makes long overdue changes to strengthen the community ties between certain lenders (Certified Development Companies (CDC)/504) and their local economies and gives CDCs the tools they need to make the loans that are needed by area businesses.

Coming up later in the year, a series of other measures will also fall under the Innovation Agenda. They include Energy Independence measures,